PROPOSAL TO IDENTIFY AND ANALYZE HIGH POTENTIAL FUTURE PRODUCTS

for

CANDLE CORPORATION

June 4, 1986



INPUT RESPONSE

- Qualifications
 - Company Profiles
 - Experience
- Statement of Work, Schedule and Cost Breakdown
 - Objectives
 - Scope
 - Methodology
 - Staffing
 - Deliverables and Schedule
 - Professional Fees
- Summary



QUALIFICATIONS

- Company Profile
 - Eleven Years Old
 - International
 - Focused
- Experience
 - Performed Similar Work for 8 Years
 - Clients
 - 0 IBM 0 TRW
 0 Anacomp 0 Litton
 0 MSA 0 GTE
 0 BCS 0 Others
 - Methodology
 - Deliveries
- Candle Will Be Pleased With Results



OBJECTIVES

- Identify High Potential Products/Product Areas
- Market Description of Product Areas
- Understand How Product Area Fits CANDLE
- Determine Potential Successful Entry Strategies
- Determine Product Area(s) CANDLE Should Avoid
- Additional Objectives
 - Understand the Problem to Be Solved
 - Identify a Product That Solves a Problem Users Do Not Know They Have It Yet
 - Understand How the Buyer Will Justify the Purchase



SCOPE

- Lateral Extension
- Vertical Extension
- New Markets
- Strategic Scenarios
 - Management Perceptions
 - Client Perceptions
 - INPUT Analysis
- Product Area Scenarios
 - Market Size and Growth
 - Competition
 - Sales/Distribution
 - Launch/Entry
 - Support
 - Pricing
 - Make/Buy
 - Test



METHODOLOGY

- Interview CANDLE Management and Staff
- Analyze Against INPUT Experience
- INPUT to Phase II



METHODOLOGY PHASE II

- Interview CANDLE Clients
- Analyze Against INPUT Experience
- Consolidate With Phase II
- Select Top Ten Product Areas
- Discuss Areas CANDLE Should Avoid



METHODOLOGY PHASE III

- Interview Prospective Clients
- Two Product Area Concepts
- Detail Interview/Probes
- Develop Detailed Scenarios
- Present Findings



METHODOLOGY PHASE IV

- Select One or More of Top Ten
- Repeat Phase III
- Present Findings



STAFFING

- Peter Cunningham
- Michael Dishman
- Graham Kemp
- Tim Tyler
- Bonnie Digrius
- Bruce Hadburg
- Frank Wirsh



DELIVERABLES

- Specification, Questionnaires, Support Material
- 13-15 in Depth, Face-to-Face Interviews
- 70 Telephone Interviews
- Three Periodic Review Meetings
- Two Presentations of Findings Including Presentation of Two Detailed Scenarios
- Hard Copy of Presentation Material
- INPUT Recommendations





SCHEDULE

ACTIVITY	WEEK
Review Detailed Project Specification and Phase I Questionnaire	1
Conduct Internal Interview Program	2 - 3
Review Findings of Phase I and Approve Phase II Questionnaire. Candle Will Provide Customer Lists for Interview Program	4
Conduct Client Interview Program	4 - 6
Presentation of Findings Including Ten High Potential Product Recommendations	8
Review Phase II Questionnaire and Modify for Phase III Audience	8
Conduct Perspective Client Interview Programs on First Two Products	8-10
Presentation of Findings and Detailed Recommendations Including, as Appropriate, Product Launch Recommendations	12

 Phase IV Activities and Related Schedule Will Be Developed as Appropos



PROFESSIONAL FEES

- Phase I, II, and III
 - \$37,500 to \$27,500 thru phase II
- Phase IV
 - \$7,000 to \$10,000
- Special Research Program for CANDLE
 - \$25,000
- Expenses
 - Actual and Reasonable



SUMMARY

- Qualified to Support CANDLE
- Understand End User Research
- Understand Strategic Analysis
- Desire to Work With CANDLE

